

Due diligence should be performed in advance of submitting a bid. While care has been exercised to ensure accuracy, all information provided is solely for the purpose of permitting parties to determine whether or not the Project is of such type and general character as to interest them in its purchase. HUD makes no warranty as to the accuracy of such information.

USE RESTRICTIONS

20 Years affordable rental housing.

Two-year rent protection for eligible residents.

PROJECT BASED SECTION 8

A Housing Payment Contract (HAP) will be provided to the Purchaser prior to Closing. Predicated on the availability of funds, assistance will be available for eligible residents in 39 units at the Project. Bidders are cautioned that payments under the HAP Contract may start for qualifying units immediately after Closing. However, HAP units must meet HUD's Physical Condition Standards within 180 calendar days of Closing. HUD will inspect these units to ensure of compliance. Bidders are urged to review the Project Based Section 8 Assistance Rider, the HAP Contract and Use Agreement and Riders to obtain a complete understanding of the requirements and conditions of the Foreclosure Sale. Prior to receipt of the subsidy payments, Purchaser may not charge eligible tenants, who are slated to receive Section 8, more than the amount of Total Tenant Payment the tenant would be required to pay under Section 8 program. In addition, some tenants may have to be temporarily relocated due to HUD required repairs. HUD has already accounted for these and other costs in this Project's disposition process. Therefore, HUD is not obligated to make any monetary adjustments to cover any costs that may be incurred by the Purchaser. Bidders should compute their bids accordingly.

TERMS OF SALE

- This is an "All-Cash" – "As-Is" sale. HUD is not providing financing for this sale. Payment of the full bid price must be presented at Closing.
- No consideration will be given to a bid submitted by any party currently suspended or debarred from participating in HUD programs. As provided for in 24 C.F.R. Part 27, the defaulting mortgagor, or any principal, successor, affiliate, or assignee on the mortgage at the time of default shall not be eligible to bid on or otherwise purchase this Project. ("principal" and "affiliate" are defined at [24 C.F.R. § 200.215](#).)
- Bids for this Project will only be considered for acceptance if properly submitted by following the bidding instructions which includes but is not limited to submitting the Earnest Money Deposit, forms and statements as required in the Invitation. High Bidder will be reviewed to determine if qualified to purchase, own and manage the Project.
- The High Bidder must certify to HUD that any/all projects that are owned by the bidder or its affiliates and are located in the same jurisdiction (City or Town) where the Project is located are in substantial compliance with applicable state and local housing statutes, regulations, ordinances and codes. See Attachment G, Certification of Substantial Compliance.
- High Bidder has the option to file the required Previous Participation Certification (Form HUD-2530) in electronic or paper format. **For questions concerning APPS contact the Multifamily Housing Systems Help Desk at 1-800-767-7588. For questions concerning Secure Systems contact the REAC Help Desk at 1-888-245-4860.**
- Repairs estimated at \$276,671 must be completed to HUD's satisfaction within 12 months of Closing. Refer to the Use Agreement, Rider "Required Rehabilitation", for more information.
- Closing is to be held thirty (30) calendar days after HUD notifies the High Bidder that they are qualified to purchase the Project being offered.
- If HUD approves an extension of the Closing, the Purchaser must pay a fee which is the greater of 1.5% of the bid price or HUD's holding costs of \$ 40.80 per unit per calendar day for each thirty (30) calendar day period.
- The Use Agreement will include the following Riders: Required Rehabilitation; Affordability of Units; Nondiscrimination Against Section 8 Voucher and Certificate Holders; Relocation; Project-Based Section 8; Reserve Fund for Replacement; Environmental Hazards; Enforcement.

PROSPECTIVE BIDDERS SHOULD READ AND THOROUGHLY UNDERSTAND ALL INFORMATION PROVIDED HEREIN AND IN THE BID KIT PRIOR TO SUBMITTING A BID.

INFORMATION AND BID KIT

INFORMATION and BID KIT may be viewed or printed at [the Property Disposition web site](#).

You may also sign up for our [electronic mailing](#) list. If you do not have access to the internet or cannot download a PDF file, you may contact the Realty Specialist identified below to obtain a copy of the bid kit.

Bids for Riverview Apartments:

MUST BE PRESENTED ON: July 10, 2012

At: 11:00 am (local time)

Location of Foreclosure Sale:

Sheriff's Office
Chippewa County Courthouse
Front Entrance
629 North 11th Street
Montevideo, MN 56265

HUD Office and Contact Information for submission of documents:

Fort Worth HUD Office
Multifamily Property Disposition Center, 6AHMLAT
801 Cherry Street, Unit # 45, Suite 2500
Fort Worth, TX 76102

Realty Specialist: Brigitte Banks
Phone: (817) 978-5815
Fax: (817) 978-6019
Email: brigitte.l.banks@hud.gov

INSPECTION OF PROJECT

HUD does not own or operate this facility and cannot grant access for viewing. Viewing is at the discretion of the current owner. No Open House has been scheduled for this sale.